IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

In re:

WINC, INC., et al., 1

Debtor.

Chapter 11

Case No. 22-11238 (LSS)

(Jointly Administered)

Related D.I. 47, 85, 91, 177

SUPPLEMENTAL LIMITED OBJECTION OF LANGETWINS WINE COMPANY, INC. AND LANGETWINS WINERY & VINEYARDS TO PROPOSED CURE AMOUNTS AND RESERVATION OF RIGHTS

LangeTwins Wine Company, Inc. and LangeTwins Winery & Vineyards (together, "LangeTwins") hereby submit this supplement (the "Supplement") to their limited objection and reservation of rights [D.I. 177] (the "Limited Objection")² to the Debtors' Proposed Cure Amount to further detail the amounts due to LangeTwins, stating as follows:

1. The Limited Objection noted that, as of the Petition Date, the Debtors owed LangeTwins approximately \$471,000 under the Wine Purchase Agreements. For purposes of clarification, and after reconciliation of certain amounts billed as of November 30, 2022, the unpaid amounts based on invoices rendered through and including the Petition Date of November 30, 2022, totaled \$479,693.60, consisting of \$255,203.65 due in respect of the Wine Purchase Agreements and \$224,489.95 due in respect of the Storage Agreement and Bottling Services Agreement.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Winc, Inc. (8960); BWSC, LLC (0899); and Winc Lost Poet, LLC (N/A). The Debtors' mailing address for purposes of these chapter 11 cases is 1751 Berkeley Street, Studio 3, Santa Monica, CA 90404.

² Capitalized terms used but not defined herein shall have the same meanings ascribed in the Limited Objection.

- 2. The Limited Objection also noted that, on December 31, 2022, after the Cure Notice was filed, an additional \$1.028 million came due under the Wine Purchase Agreements. For purposes of clarification, the precise amount that came due on that date is **\$1,028,796.35**.
- 3. An additional \$49,337.20 will be due under the Storage Agreement on January 31, 2023, for storage in December 2022. Charges continue to accrue under the Storage Agreement until wine is delivered to the Debtors.
- 4. Finally, as of the filing of this Supplement, the Debtors have an unused credit on their account of (\$13,536.00.)³
- 5. In sum, as of the filing of this Supplement, the total outstanding amount owed to LangeTwins is \$1,557,827.15, exclusive of storage and other charges accruing since January 1, 2023. If LangeTwins is permitted to apply the \$13,536.00 credit, the amount required to be paid to LangeTwins for all pre- and post-petition amounts owed as of the filing of this Supplement, is \$1,544,291.15, exclusive of storage and other charges accruing since January 1, 2023.

WHEREFORE, LangeTwins respectfully requests the entry of an order conditioning the assumption and assignment of LangeTwins' contracts on the payment of all outstanding amounts due up to and through the date of any closing under its contracts with the Debtors, consistent with the above.

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This credit likely gives rise to a right of recoupment that is not stayed by section 362(a) of the Bankruptcy Code. To the extent, however, the ability to apply the credit gives rise to a right of set off, LangeTwins reserves all rights to seek relief under, among others, sections 362(d) and 553(a) of the Bankruptcy Code.

Dated: January 15, 2023 Wilmington, Delaware BAYARD, P.A.

/s/ Erin R. Fay

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Counsel for LangeTwins Wine Company, Inc. and LangeTwins Winery & Vineyards

CERTIFICATE OF SERVICE

I, Erin. R. Fay, hereby certify that on January 15, 2023, I caused one copy of the Supplemental Limited Objection of LangeTwins Wine Company, Inc. and LangeTwins Winery & Vineyards to Proposed Cure Amounts and Reservation of Rights to be served upon (1) all parties of record via CM/ECF and (2) the parties on the attached service list via electronic mail, unless otherwise indicated.

<u>/s/ Erin R. Fay</u> Erin R. Fay (No. 5268)

SERVICE LIST

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